



Substitute House Bill No. 7282

Public Act No. 07-254

AN ACT CONCERNING PROPERTY TAX DELINQUENCIES OF TELECOMMUNICATIONS COMPANIES, MUNICIPAL BROADBAND NETWORKS, MACHINERY SURCHARGES AND CERTAIN TAX EXEMPTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (b) of section 12-80a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage and applicable to assessment years of municipalities commencing on or after October 1, 2006*):

(b) (1) Not later than the first day of February immediately following the end of such tax year, the Secretary of the Office of Policy and Management shall determine, with respect to such company, a value for personal property equivalent to seventy per cent of the value of personal property included in the list of such property prepared and certified in accordance with subsection (a) of this section. The amount of tax applicable with respect to such personal property of any taxpayer subject to the tax imposed under this section shall be determined by multiplying the value of personal property of such company, as determined under this subsection, by a mill rate of forty-seven mills. Said secretary shall, not later than the first day of March immediately following the end of such tax year, submit a tax bill to

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each company stating the amount of tax payable to each town in relation to the personal property of such taxpayer located in such town. Such tax shall be due and payable to the town in which such personal property is located not later than the first day of April immediately following. Any city or borough not consolidated with the town in which it is located and any town containing such a city or borough shall receive a portion of the tax due and payable to such town on the basis of the following ratio: The total taxes levied in the previous fiscal year by such town, city or borough shall be the numerator of the fraction. The total taxes levied by the town and all cities or boroughs located within such town shall be added together, and the sum shall be the denominator of the fraction. Any such city or borough may, by vote of its legislative body, direct the Secretary of the Office of Policy and Management to reallocate all or a portion of the share of such city or borough to the town in which it is located.

(2) The [tax collector of] person responsible for the collection of taxes for each town, city or borough owed taxes under this subsection may, at such time as such tax becomes delinquent as provided in sections 12-146 and 12-169, subject such tax to interest at the rate of one and one-half per cent of such tax for each month or fraction thereof which elapses from the time when such tax becomes due and payable until the same is paid.

Sec. 2. Subdivision (4) of subsection (a) of section 7-536 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(4) "Local capital improvement project" means a municipal capital expenditure project for any of the following purposes: (A) Road construction, renovation, repair or resurfacing, (B) sidewalk and pavement improvements, (C) construction, renovation, enlargement or repair of sewage treatment plants and sanitary or storm, water or sewer lines, including separation of lines, (D) public building

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construction other than schools, including renovation, repair, code compliance, energy conservation and fire safety projects, (E) construction, renovation, enlargement or repair of dams, bridges and flood control projects, (F) construction, renovation, enlargement or repair of water treatment or filtration plants and water mains, (G) construction, renovation or enlargement of solid waste facilities, (H) improvements to public parks, (I) the preparation and revision of local capital improvement plans projected for a period of not less than five years and so prepared as to show the general description, need and estimated cost of each individual capital improvement, (J) improvements to emergency communications systems, (K) public housing projects, including renovations and improvements and energy conservation and the development of additional housing, (L) renovations to or construction of veterans' memorial monuments, (M) thermal imaging systems, (N) bulky waste and landfill projects, (O) the preparation and revision of municipal plans of conservation and development adopted pursuant to section 8-23, provided such plans are endorsed by the legislative body of the municipality not more than one hundred eighty days after adoption by the commission, (P) acquisition of automatic external defibrillators, [and] (Q) floodplain management and hazard mitigation activities. "Local capital improvement project" means only capital expenditures and includes repairs incident to reconstruction and renovation but does not include ordinary repairs and maintenance of an ongoing nature and "floodplain management" and "hazard mitigation" shall have the same meaning as in section 25-68j, and (R) activities related to the planning of a municipal broadband network, provided the speed of the network will be not less than three hundred eighty-four thousand bits per second.

Sec. 3. (NEW) (*Effective July 1, 2007*) (a) There shall be a Broadband Internet Coordinating Council, which shall include representatives from both the private and public sectors. The council shall consist of

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ten members, two of whom shall be appointed by the Governor, two of whom shall be appointed by the president pro tempore of the Senate, two of whom shall be appointed by the speaker of the House of Representatives, one of whom shall be appointed by the majority leader of the Senate, one of whom shall be appointed by the majority leader of the House of Representatives, one of whom shall be appointed by the minority leader of the Senate and one of whom shall be appointed by the minority leader of the House of Representatives. One of each of the two members appointed by the Governor, the president pro tempore of the Senate and the speaker of the House of Representatives shall have specific expertise in the area of telecommunications. Members of the council shall serve without compensation, except for necessary expenses incurred in the performance of their duties. Members shall serve on the council for terms of two years each and no member shall serve for more than two consecutive terms. The chairperson of the Public Utilities Control Authority, or the chairperson's designee, and the Secretary of the Office of Policy and Management, or the secretary's designee, shall be ex-officio members of the council without vote and shall attend its meetings. Any member who fails to attend three consecutive meetings or fifty per cent of all meetings during any calendar year shall be deemed to have resigned. The president pro tempore of the Senate and the speaker of the House of Representatives shall jointly choose a chairperson and a vice-chairperson to act in the chairperson's absence.

(b) The council shall meet at least quarterly, commencing on or before September 1, 2008. A majority of the members in office shall constitute a quorum.

(c) The duties of the council shall be to: (1) Monitor trends and developments in the state's efforts to develop a state-wide world-class communications infrastructure; and (2) issue any reports it deems necessary to the joint standing committee of the General Assembly

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having cognizance of matters relating to technology.

Sec. 4. Subsection (c) of section 12-692 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

(c) There is hereby imposed a one and one-half per cent surcharge on machinery rented within the state by a rental company to a lessee for a period of less than thirty-one days. The rental surcharge shall be imposed on the total amount the rental company charges the lessee for the rental of the machinery. Such surcharge shall be in addition to any tax otherwise applicable to any such transaction, and shall be includable in the measure of the sales and use taxes imposed under chapter 219. For purposes of this subsection, such period shall commence on the date any such machinery is rented to the lessee, and terminate on the date such machinery is returned to the rental company.

Sec. 5. Subdivision (7) of section 12-81 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007, and applicable to assessment years commencing on or after October 1, 2007*):

(7) Subject to the provisions of sections 12-87 and 12-88, the real property of, or held in trust for, a corporation organized exclusively for scientific, educational, literary, historical or charitable purposes or for two or more such purposes and used exclusively for carrying out one or more of such purposes and the personal property of, or held in trust for, any such corporation, provided (A) any officer, member or employee thereof does not receive or at any future time shall not receive any pecuniary profit from the operations thereof, except reasonable compensation for services in effecting one or more of such purposes or as proper beneficiary of its strictly charitable purposes, and (B) in 1965, and quadrennially thereafter, a statement shall be filed

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on or before the first day of November with the assessor or board of assessors of any town, consolidated town and city or consolidated town and borough, in which any of its property claimed to be exempt is situated. Such statement shall be filed on a form provided by such assessor or board of assessors. The real property shall be eligible for the exemption regardless of whether it is used by another corporation organized exclusively for scientific, educational, literary, historical or charitable purposes or for two or more such purposes. On and after July 1, 1967, housing subsidized, in whole or in part, by federal, state or local government and housing for persons or families of low and moderate income shall not constitute a charitable purpose under this section. As used in this subdivision, "housing" shall not include real property used for temporary housing belonging to, or held in trust for, any corporation organized exclusively for charitable purposes and exempt from taxation for federal income tax purposes, the primary use of which property is one or more of the following: (i) An orphanage; (ii) a drug or alcohol treatment or rehabilitation facility; (iii) housing for homeless, retarded or mentally or physically handicapped individuals, or for battered or abused women and children; (iv) housing for ex-offenders or for individuals participating in a program sponsored by the state Department of Correction or judicial branch; and (v) short-term housing operated by a charitable organization where the average length of stay is less than six months. The operation of such housing, including the receipt of any rental payments, by such charitable organization shall be deemed to be an exclusively charitable purpose.

Sec. 6. Subdivision (14) of section 12-81 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007, and applicable to assessment years commencing on or after October 1, 2007*):

(14) Subject to the provisions of section 12-88, real property and its

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equipment owned by, or held in trust for, any religious organization and exclusively used as a school, a daycare facility, a Connecticut nonprofit camp or recreational facility for religious purposes, a parish house, an orphan asylum, a home for children, a thrift shop, the proceeds of which are used for charitable purposes, a reformatory or an infirmary or for two or more of such purposes.

Sec. 7. Subdivision (58) of section 12-81 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007, and applicable to assessment years commencing on or after October 1, 2007*):

(58) Subject to authorization of the exemption by ordinance in any municipality, any real or personal property leased to a charitable, religious or nonprofit organization, exempt from taxation for federal income tax purposes, provided such property is used exclusively for the purposes of such charitable, religious or nonprofit organization and not otherwise exempt under this section.

Approved July 11, 2007